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FISCAL IMPACT STATEMENT

LS 6128

BILL NUMBER: HB 1129

NOTE PREPARED: Nov 9, 2008

BILL AMENDED:

SUBJECT: Adult Education.

FIRST AUTHOR: Rep. Klinker

FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: X GENERAL
DEDICATED
FEDERAL

IMPACT: State & Local

Summary of Legislation: This bill specifies that state adult education funding may also be provided to entities that are eligible providers for purposes of the federal Adult Education and Family Literacy Act. (Current law limits state adult education funding to school corporations.)

(The introduced version of this bill was prepared by the Interim Study Committee on Adult Education Issues.)

Effective Date: July 1, 2009.

Explanation of State Expenditures: The bill would expand the number of providers eligible for state adult education funding. For the 2008-2009 school year, an additional eight providers would be eligible for Department of Education adult education funding.

Background: Currently, only school corporations are eligible for the \$14 M adult education distribution. The distribution is a reimbursement of instructor salaries and administrative and support costs and may not exceed the actual expenditures. The reimbursement for instructors' salaries is based on a program average of ten eligible adults per unit of instruction. The reimbursement for administrative and support costs is calculated on actual expenditures, but may not exceed 5% of the total appropriation for adult education. If the requested reimbursement exceeds the appropriation, then the distribution is proportionately reduced.

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues: See *Explanation of State Expenditures*.

State Agencies Affected: Department of Education.

Local Agencies Affected: Local schools and not-for-profits that qualify for federal adult education funding.

Information Sources: Linda Warner, Department of Education, 317-232-5028; *Digest of Public School Finance*.

Fiscal Analyst: Chuck Mayfield, 317-232-4825.